



Corporate News

Ferratum Interim Report January – June 2016

Continued dynamic and profitable growth

Highlights H1 2016

- **Year-on-year revenue up 41.4 % to EUR 70.4 million (H1 2015: EUR 49.8 million)**
- **Operating profit (EBIT) rose by 60.2 % to EUR 10.1 million (H1 2015: EUR 6.3 million)**
- **Improved EBIT margin of 14.3 % (H1 2015: 12.6 %)**
- **Portfolio quality with steady improvement: declined impaired loan coverage ratio of 34.2 % (H1 2015: 41.4 %)**

Helsinki/Berlin, August 11, 2016 - Ferratum Oyj (ISIN: FI4000106299, WKN: A1W9NS), a pioneer in the field of financial technology and an international provider of mobile banking services, continued its growth trend in the first half year 2016. Since the start of the year Ferratum has introduced its Credit Limit product in both Spain and Poland while introducing the PLUS Loan product to the Finnish, British and Slovakian markets. In addition, Ferratum Business (SME) which focuses on small and medium-sized enterprises was introduced to two new markets, Denmark and the Netherlands, during the first half of the year. The group has also introduced a completely new member to its product family, marketplace lending (Ferratum P2P). As a result Ferratum showed strong topline growth while once again improving its profitability. Revenues rose to EUR 70.4 million, an improvement of 41.4 % compared to H1 2015. The (diluted) earnings per share improved to EUR 0.29 (H1 2015: EUR 0.21).



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Product developments in H1 2016

- **Mobile Bank launched to the public in Sweden**
- **Ferratum P2P launched in Czech Republic**
- **Deposit taking started in Germany**
- **Credit Limit launched in Spain and Poland**
- **PLUS Loans launched in the UK, Finland and Slovakia**
- **Ferratum Business (SME) launched in Denmark and the Netherlands**

The combined revenue share of PLUS Loan (including Ferratum Business) and Credit Limit grew from 40.3 % in H1 2015 to 61.7 % while the revenue share of the Microloan business decreased to 38.2 % (H1 2015: 59.7 %).

Key Figures, EUR '000	Jan-Jun 2016	Jan-Jun 2015
Revenue	70,428	49,796
Operating Profit	10,075	6,288
Profit before tax	7,014	5,169
Net cash flows from operating activities before movements in portfolio	32,009	19,416
Profit before tax %	10.0	10.4

Key Figures, EUR '000	June 30, 2016	Dec 31, 2015
Accounts receivable - consumer loans (net)	137,453	106,758
Deposits from customers	32,896	3,009
Cash and cash equivalents	39,403	17,452
Total assets	197,922	140,127
Non-current liabilities	47,766	48,927
Current liabilities	69,015	13,562
Equity	81,141	77,638
Equity ratio	41.0	55.4
Net debt to equity ratio	0.95	0.58

CEO Jorma Jokela comments the first half year

"The results show our dynamic growth which we expect to continue. I'm pleased to see that the diversification of our product portfolio, the geographic expansion and the development of the Mobile Bank pay off. One major milestone in the first half of 2016 was the launch of the Mobile Bank in Sweden. This product has a trend-setting technology for the banking industry and will serve as a future anchor in our product portfolio.



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We are running our business with a very conservative risk provision model, in which the expected defaults are already booked during the disbursement of a new loan. This helps us to grow products with a larger loan amount and a longer term like our PLUS Loan product.

To help us further expand our loan business we issued a new bond in Germany with attractive conditions. We experienced a positive feedback from investors and were able to raise EUR 25 million. Our efforts were also honored by the rating agency Creditreform AG. The group's credit rating was upgraded during Q2 2016 from BBB to BBB+. Furthermore, we are successfully raising money with the deposit business.

During the next months we want to continue our growth strategy. Rolling out products like Ferratum P2P and especially the Mobile Bank in key markets like Germany is crucial for our further profitable growth.



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About Ferratum Group:

The Finnish Ferratum Group, a pioneer for mobile consumer loans in Europe, offers short-term consumer loans for private customers. Ferratum's customers can utilize digital media to apply for consumer credit in amounts varying between EUR 25 and EUR 3,000. Moreover, Ferratum offers successful small businesses installment loans with a term of six to twelve months. Managed by its founder Jorma Jokela, Ferratum has expanded rapidly since it was founded in 2005: Ferratum has more than 1.4 million active and former customers who have been granted one or more loans in the past and 4.1 million total user accounts in its database (as of 30 June 2016). Ferratum is represented in 23 markets.

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